

REC'D JUN 13 2008

MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 57

86 West Road, Waterboro, Maine 04087
Tel. No. 247-3221 / (207) 499-7576
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Lynda W. Green
Superintendent

William Brockman
Business Manager

June 13, 2008

Commissioner Susan Gendron
Department of Education 23 State House Station
Augusta, ME 04333-0023

Dear Commissioner Gendron:

Attached please find the final Alternate Plan submission for Maine School Administration District #57.

Thank you.

Sincerely yours,



Lynda W. Green

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- MSAD 57

Contact Information:

Name: Lynda W. Green

Address: 86 West Road
Waterboro, ME 04087

Telephone: 207-247-3221

email: lynda_green@fc.sad57.k12.me.us

Date Plan Submitted by SAU: June 13, 2008

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?

☒ YES

☐ NO

(If NO, please explain.)

Alternative Plan Cover Sheet

(Please attach Alternative Plan as Exhibit A)

| Plan Requirements | | | | |
|--|-------------------------------------|--------------------------|--------------------------|------------------------------|
| Item | Complete | In Progress | Not Yet Started | Need Assistance ¹ |
| Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2008-2009 for the following areas will not have an adverse impact on the instructional program. | | | | |
| system administration | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| transportation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| special education | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| facilities and maintenance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Plan addresses how cost savings will be achieved in fiscal 2008-2009 for the above four areas. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Parameters for Plan Development | | | | |
| Enrollment meets requirements (2,500 except where circumstances justify an exception) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Includes at least one publicly supported high school | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Consistent with policies set forth in section 1451 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No displacement of teachers | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No displacement of students | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Collaborative Agreements | | | | |
| | | Yes | No | |
| Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | | |

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

December 14, 2007

Lynda Green, Superintendent
MSAD 57
86 West Road
Waterboro, ME 04087

Dear Superintendent Green:

Thank you for the Alternative Plan that you submitted on behalf of MSAD 57 on November 30, 2007 for Department review for compliance with the school reorganization law, P.L. 2007, chapter 240, Part XXXX.

I recognize how much time, effort and thoughtful work is required to complete an alternative plan and appreciate the efforts made, to date, by all those involved.

Members of my staff and I have reviewed the submission and offer the comments and notes listed below to assist you in completing the plan. If you make any substantive change(s) to any part of the plan beyond those listed below, please be sure to note those on the Updated Alternative Plan Cover Sheet Checklist, along with notation of those items that have changed per the notes contained in this response.

General Documentation (Submittal Sheet)

- Please complete and return the Alternative Plan Submittal Sheet with your revisions.
- The actual number of students for which the proposed RSU was fiscally responsible as of October 1, 2006 was 3,633. I am making you aware of this as this is the enrollment number that will be used in determining Essential Programs and Services funding.

With respect to your request to retain your name as "MSAD 57", all RSUs will be issued an "RSU number" in accordance with the order in which they are approved and that will be the official name of the RSU. We will be using the term "unit" since "districts" will no longer exist under the reorganization law as of July 1, 2009 (See 20-A MRSA Section 1). Your RSU board of directors does have the authority to "select an unofficial name for the regional school unit". 20-A MRSA Section 1476(1).

Checklist/Plan Text Items

Items Checked "In Progress" or "Not Yet Started"

With respect to the items you checked as "in progress" or "not yet started", we are unable to complete our review until the additional information is provided. However, based on our preliminary review we would ask you to please note the following:

** Required Items*

Each alternative plan must provide projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance in accordance with P.L. 2007, chapter 240, Part XXXX-36(6)(F). Please provide these projected expenditures; and please consider using the guidance offered in the Drummond Woodsum workshop materials.

In Exhibit A, we have included a comparison of (A) the 2007-08 EPS allocations for the four categories of system administration, transportation, special education, and facilities and maintenance and (B) your unit's 2007-08 budget information (if available) for these four categories. Also included are estimated 2008-09 EPS allocations for system administration, transportation, and facilities and maintenance. I encourage you to review this information. NOTE: If the 2007-08 budget information is missing then it is likely that your unit has not submitted this information to the MEDMS Financial System; please see Administrative Letter # 20, dated 2/13/2007 for instructions.

Please address the requirement in P.L. 2007, chapter 240, Part XXXX-36(6)(F) that "... the projected expenditures in FY 2008-2009 for system administration, transportation, special education, and facilities and maintenance will not have an adverse impact on the instructional program" by providing an assurance to that effect. Note: We will confirm this assurance against the information that was required to be submitted to the MEDMS Financial System in August, 2007.

A model for budgeting for system administration is available at www.maine.gov/education/supportingschools/planning.html.

The Department of Education will be issuing an RFP to procure routing software to be available statewide. It is the Department's intent to issue the RFP early in 2008 and have a contract signed with a vendor as soon thereafter as possible so that the software will be available to RSUs and municipalities as soon as possible. SAUs may begin to work with the system in FY 2008-2009 but will not be able to budget any cost savings until FY 2009-2010.

We will review all items on the checklist again, upon your completion of the plan.

SUBMISSION OF REVISIONS:

Please provide the additional materials to complete your plan by February 1, 2008. Please include:

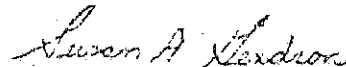
- Any additional data required
- An updated Submittal Page
- An updated Cover Sheet Checklist
- A copy of this Response from the Commissioner.

I will respond no more than 14 days after the revisions/additional materials are refiled with the Department. As you are the contact person identified on the Submittal Sheet, this response is addressed to you but with the understanding that you will share it with your school administrative unit board members.

Finally, what I am reviewing for approval is a plan (or a submission, if the plan is incomplete) which is by its very nature prospective, with steps yet to be taken or finalized; and any review comments or approval given are in relation to the elements required under P.L. 2007, chapter 240, Part XXXX but not the legality of all the activities proposed. Thus, I strongly recommend that you have your own legal advisor(s) review the details of any particular transaction proposed in your plan (particularly with respect to the disposition of property, to debt, and to employee contracts/relations) as you proceed, to ensure the legality of the steps you'll be taking to implement the plan. If that review leads to any substantive changes in any parts of your plan, please be sure to submit an amended plan to the Department for our review and our file.

Again, my sincere thanks for your efforts.

Sincerely,



Susan A. Gendron
Commissioner of Education

Enc.

**RESPONSE TO PLAN REQUIREMENTS
MAINE SCHOOL ADMINISTRATIVE DISTRICT 57**

MASD #57 ALTERNATE PLAN FOR CONSOLIDATION

Maine School Administrative District #57 has met the criteria to be considered a school unit under the criteria defined in the school reorganization law. P.L. 2007, chapter 240, Part XXXX. The total student population based on the October 1, 2006 indicates that the district is fiscally responsible for 3,633 students. The actual number of students used to calculate the 2008-2009 state subsidy is 3,586.5, which is the calculation used in the adopted budget.

The following is an update of the information provided in the December 2007 submission of our Alternate Plan.

SYSTEM ADMINISTRATION

The EPS allocation for Central Administration per the 4/08 preliminary worksheet is \$731,646. The budget amount for SAD57 is \$683,354. The actual expenditures for MSAD #57 system administration have historically been significantly below the EPS allocation. In a comparison of allocation vs. actual budget, there are numerous areas in which the allocation was significantly less than the budgeted amount; it can be assumed that the difference in system administration was used to balance areas such as transportation, special education, and co/extra curricular. The central administration budget represents 2% of the total budget.

Based on the model for districts with 3,500 students, the distribution for 2008-2009 is as follows:

| | |
|------------------------------|------------------|
| School Board | |
| Salary/benefits | \$20,100 |
| Purchased Services | \$78,500 |
| Supplies | \$1,000 |
| Other | \$15,500 |
| Total | \$115,150 |
| Superintendent Office | |
| Salary/benefits | \$232,103 |
| Purchased Services | \$9,600 |
| Supplies | \$2,300 |
| Other | \$23,000 |
| Total | \$269,003 |
| Central Services | |
| Salary/benefits | \$279,671 |
| Purchased Services | \$9,600 |

| | |
|---|------------------|
| Supplies | \$7,000 |
| Other | \$2,040 |
| Total | \$301,201 |
| Total for Central Administration | \$683,354 |

| Position | Employee FTE's |
|------------------------|-----------------------|
| Superintendent | 1 |
| Business Manager | 1 |
| Payroll/Bkpr/Acct | 3 |
| Admin Asst/Secretary | 2 |
| Total Employees | 7 |

While not specifically charged to central administration, MSAD #57 has worked diligently to control administrative costs in the district. We currently share a Food Services Director with MSAD #60. Our Adult Education Director has established preliminary contact to explore sharing the position with an adjacent district. Our operating costs for the Central Administration budget reflect actual need based on a comparison with expenditures from previous years.

TRANSPORTATION

The EPS allocation for transportation for the 2008-2009 school year is \$1,865,784.96. The actual budget amount is \$2,382,470, a decrease of \$24,078 from the 2007-2008 school year. An audit of all expenditures was conducted in developing the budget and resulted in a significant decrease. However, the fuel account was increased twice during the process and still falls short of possible costs for next year. The bid for diesel last year was \$2.39; the proposals this year have been at least double that amount. The transportation total also includes lease payments for 4 new buses; the total included in the budget is \$195,629 principal and \$13,660 for interest.

MSAD #57 has utilized Versitrans software for routing for the past four years. The maintenance package was purchased and training provided to establish a schedule and to monitor repairs on each bus. The Transportation Committee of the School Board has reviewed the policies and analyzed the costs involved in practices such as allowing drivers to take buses home and requests for additional stops. Board members travel to sites to determine the safety issues and have taken a firm stand on many difficult requests to adjust. After significant analysis of the costs involved in buses, which travel from homes rather than the bus garage, the district saved more than \$8,000 by mandating that buses be housed at the transportation garage. The position of Transportation Coordinator was vacated this year, and the district has created an interim shared position with existing staff as a cost saving measure. Additional savings have been realized by working collaboratively with Sanford in transporting vocational students to Noble High School as well as transporting small athletic teams. Field trips will no longer be subsidized by the

district and charges for the use of buses by the parks and recreation departments will reflect the actual costs of operating the buses.

Additional plans to reduce our transportation budget include investigating the installation of a waste oil heater for the transportation garage, continued collaboration with other districts on the fuel bid and shared transportation, and shared services with our communities. In a rural district, it is difficult to reduce mileage due to the nature of the six towns and the safety of our students or after school transportation that frequently provides the students with the only opportunity to participate in sports or after school activities. The Finance Committee adopted a five-year plan to maintain the fleet by purchasing four buses annually, which would have little impact on the budget as an equal number would be paid off at the end of each year.

SPECIAL EDUCATION

The EPS allocation for Special Education for the 2008-2009 school year is \$3,388,188. The actual budget for the special education program is \$4,913,445 or an increase of 3.41%.

Every effort has been made to reduce special education costs without a negative impact on the children and remaining in compliance with the law. The district has seen a reduction in identified children through the efforts of the director and staff to insure appropriate identification procedures. At the school level, the district has supported the Student Assistance Team model, literacy interventions focused on the primary grades, and will develop an RTI model to insure appropriate services for children. We are confident that these measures will continue to reduce the number of children in need of identification. This does not address the steady increase of children with significant handicapping conditions such as autism and Asperger's syndrome. While we have decreased the number of children assigned to special education, the needs of those who are identified represent significant costs to the district. MSAD#57 currently has 446 children identified by IEP and 154 with 504 plans. There are only 9 students placed out of district, as it has been found that our efforts to provide appropriate services within the district is in the best interest of the student. This also means providing at times extensive support services at significant costs.

The district will continue to seek opportunities to collaborate with Sanford and to explore the establishment of multi-district collaboratives to reduce costs. Our special education program, as well as our instructional program, has remained static in developing new programs as we struggle to fund our programs at the same level each year. The special education budget was built based on student needs.

MAINTENANCE AND OPERATIONS

The maintenance budget for 2008-2009 is \$3,917,378 or a 6.08% decrease; the EPS allocation is \$3,559,914.

While the funding has remained the same, the district has absorbed the costs of opening a new school including the additional maintenance staff and supplies. In planning the 2008-2009 budget, the district also faced the challenge of increased oil prices that will certainly exceed this year's per gallon cost of \$2.19. The current budgeted amount certainly reflects significant reductions and cost saving measures, but in order to account for the energy crisis, an additional \$130,000 was added; our concern certainly is the seemingly uncontrolled escalation of costs that could have significant impact on our schools next year.

The district has been a member of an 11 district collaborative in purchase of custodial and cleaning supplies. The budget development process reflected actual costs from the prior year as well as defined equipment needs. The School Board adopted a 5-year capital improvement plan that was reduced by \$250,000 this year, which specifies the needed maintenance on the buildings to insure the integrity of our most valuable asset. We continue to engage in collaborative efforts with Sanford to obtain the best prices for oil and supplies.

STATEMENT OF NO ADVERSE IMPACT ON INSTRUCTIONAL PROGRAM

In developing the district budget for the 2008-2009 school year, the finance committee and school board established the priority to protect the classroom. All budget development and reductions focused on this goal. Reductions were made in areas that had the least impact on the children as we attempted to minimize the tax impact on our communities. We believe that we were successful in our efforts for the next school year yet remain concerned about the possible impact of the escalating cost of fuel.